Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network

Voluntary Report - public distribution

Date: 6/24/2002

GAIN Report #IS2006

Israel

Grain and Feed

Chick Peas Supply and Demand in Israel

2002

Approved by:
Thomas Pomeroy
U.S. Embassy
Prepared by:
Yossi Barak

Report Highlights:
Annual chick peas consumption in Israel average 20-23 thousand metric tons. Imports run between 2,500 and 5,000 mt, depending on rainfall. U.S. exports enjoy a 134mt duty free quota which normally is not fully utilized.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Cairo [EG1], IS

General

Consumption of garbanzos or chick peas in Israel is increasing steadily. This is mainly explained by the growth of that segment of the population which consumes them regularly. Jews of Asian and North African extraction, together with the Israeli Arabs, make up 67 percent of the population in 2001, compared to 65 percent in 1995 and 64 percent 10 years earlier. Moreover, an increasing number of native Israelis of western origin are including the chick pea in their regular daily diets. Supply is from domestic production and from imports. The annual imported volume depends on the local crop and varies between 7 percent of total consumption in high precipitation years and 25 percent in dry years. Annual consumption is estimated at 20-23 thousand metric tons.

Production

Total Planted Area.

Chick peas are considered a winter crop in Israel. In the past it was grown as a legume before wheat in the crop rotation but in recent years it's importance has increased due to growing demand and declining profitability of other winter crops. Total annual acreage depends mainly on precipitation during the early autumn and on the expected income from alternative winter crops, such as wheat, peas, etc. In winter 2001/2 approximately 8,000 hectares were planted, compared to the long term average area of 6,000 hectares. This figure is higher than the official government data of 5,000 to 5,500ha in recent years and between 6,000 and 7,000 ha in 2001/2. Expansion of planted area is demonstrated in the table below:

Table 1. Total Area Planted to Chick Peas (hectares)

Crop Year	Hectares
1970	1,140
1980	1.850
1990	4.590
1995	5,270
1996	5.590
1999*	5,250
2000	6,170
2002	8,000

Source: CBS, Agricultural Statistic Quarterly, NO.4-2000
Data for 2000 and 2002 were provided by the MOA

The share of the rainfed area depends on precipitation during the winter and varies between 50 and 60 percent of the total sown area. In 1999, under drought conditions, 51 percent of the total area was rainfed. In CY2002, when precipitation was higher than the long term annual average, the rainfed area reached 60 percent, or 4,800 hectares.

Planted Area by Region

Main planting areas are the Western Galilee, Beit Shean and Jezreeel valleys and the southern plains of Judea.

Table 2. Planted Area by Region in CY2002

Region	Planted Area hectares	Percent of Total
Upper Galilee, Golan	231	2.9
Western Galilee	1,687	21.0
Inner Valleys	2,502	31.3
Center	782	9.8
Southern Plains	1,554	15.5
Negev	1,244	15.5
Total	8,000	100.0

Varieties

There are two main varieties, Yarden and Hadas, both of which were developed locally. They comprise 90 percent of the total area, while the remaining ten percent is divided among another 8 to 10 varieties, of which some are still being tested and some are grown upon special demand by certain processors who need a higher protein content or special size of the chick peas.

Average Yield

The long term average yield is 2,500kg/ha. The CY2002 yield is expected to be higher by 100 to 200 kg/ha, due to favorable growing conditions.

Consumption

Per capita chick pea consumption in Israel is said to be the highest in the world. The reason lies in the chick peas's importance in the Palestinian (including Israeli Arab) cuisine and in the increasing recognition of it's healthy characteristics. Annual total consumption is estimated at 20 to 23 thousand metric tons, of which 60 percent is consumed as confectionery or for home cooking and 40 percent is

consumed by processors for the salad industry- fresh and canned. Only small quantities of special peas (high protein content or special quality) are demanded by private consumers or the processors.

Trade

Imports depend on the local harvest. They vary between 5,100 metric tons in the drought year of CY1999 and 2,500 tons in CY2000. Due to expanded planted area in CY2002 and to anticipated improved yields, CY2002 imports are expected to drop to1,500 mt (6-7 percent of local consumption). Main exporters to Israel are Turkey, Spain and Mexico. Import value in recent years was as follows:

Table 3. Import Value of Chick Peas - by Exporting Country - $ thousands

Country	1995	1996	1997	1998	1999	2000
Bulgaria	39	167	22	273	73	165
Canada				28	32	192
India	33			15	18	12
Mexico	141	366	399	34	1,299	908
Romania	38				43	22
Spain				539	1,146	224
Turkey	3,547	6,864	4.557	635	1,288	305
US	206	64	1	13	84	40
Others	278	575	42	128	17	23
Total	4,282	8,036	5,021	1,665	4,000	1,891

Source: CBS, Foreign Trade Statistics

Customs Tariff for 2002

A duty of NS1.11/kg (not to exceed 152%) is imposed on imports. Imports from the US pay 90 percent of this, or NS1.00/kg. Under the US-Israel Agreement on Trade in Agricultural Products (ATAP), US exporters have a duty free tariff rate quota of 134 mt in 2002, growing to 178 in 2003. The statistics indicate that this quota is not utilized fully (See table 3).

Implications for American Exporters.

Since no special quality or special characteristics are demanded by the consumers, price is the main factor which determines the source of chick pea imports. Under these conditions, US exporters have no advantage over shorter distance suppliers like Turkey, Bulgaria and Spain. Mexico is an exception. Despite the long shipping distance, the CIF price for Mexican produce is equal to the CIF price for imports from Turkey and Spain.